

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURJE): (a) Total amount invested by the Government in the equity of ONGC is Rs. 1199.34 crore and in OIL is Rs.210 crore. ERBC is a unit within ONGC.

(b) Government has disinvested 15.89% in terms of present paid up capital in ONGC. Government holds 98.13% of total capital of OIL and its employees hold the balance.

(c) there is no proposal for disinvestment in ONGC and OIL.

Disinvestment Target

388. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government would not be able to meet budgeted disinvestment target of Rs. 10,000 crore this fiscal year;

(b) if so, what are the reasons therefor;

(c) by when the aforesaid target is likely to be achieved; and

(d) the details of steps taken in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) Out of the 40 central Public Sector enterprises in which disinvestment of Government equity was carried out till 31st March, 2000, minority stake were sold in 39 cases. Only in one case, viz. Modem Foods Industries Ltd., strategic sale was conducted. In view of the inherent advantages of disinvestment through strategic sales as compared to sale of minority states, the emphasis was laid on adopting strategic sale method of disinvestment in most of the Public Sector Enterprises. Typically, the time period taken to complete the strategic sale transactions is longer than the time taken to complete minority sales. Further, disinvestment in the Central Public Sector Enterprises is carried out as per a prescribed transparent process. The completion of the disinvestment exercise depends on various factors like market conditions, time taken by the prospective bidders for due diligence, finalization of the agreements, response from the investors to the stake offered etc. In view of such market related factors it is not possible to adhere to any strict schedule for disinvestment. Moreover, Government is committed not to disinvest in distress to meet any targets whatsoever. Nevertheless, every attempt is made to ensure that delay is avoided, by streamlining procedure.

(c) and (d) in view of the reasons stated in (b) above, no strict time shecule for completion of disinvestment transacitons can be forecast.

News-item captioned Government yet to open score on disinvestment

389. SHRI P. PRABHAKAR REDDY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the news-item appeared in the Business Standard, dated 8th January, 2001 under the caption, 'Government yet to open score on disinvestment';

(b) if so, Government's reaction thereto;

(c) the actual achievement of the targets fixed by Government for disinvestment for the last three years;

(d) the reasons for the slow progress in achieving the targets; and

(e) what steps have been taken/are proposed to be taken to speed up the tempo of the disinvestment process during the year 2001 -2002?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) Disinvestment in the Central Public Sector Enterprises is carried out as per a prescribed transparent process. The completion of the disinvestment exercise depends on various factors like market conditions, time taken by the prospective bidders for due dilligence, finalization of the agreements, response from the investors to the stake offered etc. In view of such market related factors, it is not possible to adhere to any strict time schedule for disinvestment. Moreover, Government is committed not to disinvest in distress to just meet targets.

(c) The targets and the amount raised through disinvestment in public sector undertakings during the last three years and the current year are as follows:—

Year	Target	(Rs. in crore)
		Amount raised
1997-98	4,800	902
1998-99	5,000	5,371
1999-2000	10,000	1,829
2000-2001	10,000	Nil (till 20.2.2001)